

RESOLUTION NO. 95-2007

AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH READING MOVIES, LLC WHICH WILL PROVIDE FOR THE ABANDONMENT OF A CITY OWNED WATERLINE WHICH SERVICES A PARCEL OF LAND LOCATED AT THE SOUTHWEST CORNER OF THE INTERSECTION OF NORTH SECOND STREET AND WASHINGTON STREET (THE PROPOSED MOVIE THEATRE SITE) UPON READING MOVIES, LLC'S CONSTRUCTION AND DEDICATION OF A RELOCATED WATERLINE CAPABLE OF SERVING THE SAME PURPOSE.

WHEREAS, Reading Movies, LLC (hereinafter "Reading Movies") desires to construct a multi-screen movie theatre complex on a parcel of land located at the southwest corner of the intersection of North Second Street and Washington Street in the City of Reading; and

WHEREAS, on January 4, 1978, the City of Reading vacated that portion of Pear Street, within the City of Reading, located between Washington Street and Court Street; and

WHEREAS, on January 4, 1978, when the City of Reading vacated the aforementioned portion of Pear Street it reserved an easement for the construction, removal, reconstruction, relaying, extension, repair, service or maintenance of public utilities and their appurtenances (the "Easement Area"); and

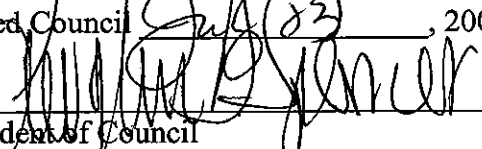
WHEREAS, in order to construct said movie theatre complex, Reading Movies must relocate the city owned waterline which runs through the proposed construction area; and

WHEREAS, the City of Reading desires to facilitate the construction of Reading Movies' movie theatre complex.

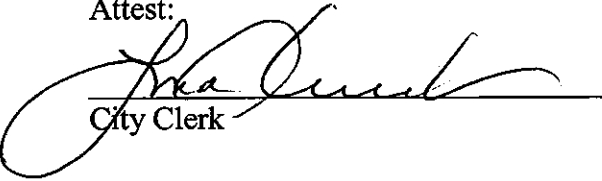
NOW, THEREFORE, THE COUNCIL OF THE CITY OF READING HEREBY RESOLVES AS FOLLOWS:

That the Mayor be and he is hereby authorized and directed to execute, under the seal of the City of Reading, attested to by the City Clerk, an agreement with Reading Movies, LLC, said agreement providing the terms and conditions by which the city will abandon the current

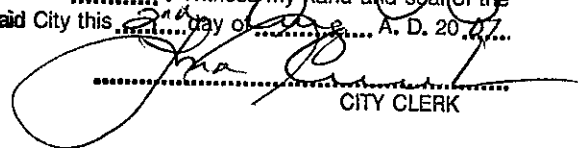
waterline as described in Exhibit "A" to the Agreement and any right, title and interest it may have in the Easement Area. Furthermore, said Agreement between the City of Reading and Reading Movies is attached hereto as Exhibit "A".

Passed Council July 23, 2007  
  
President of Council

Attest:

  
City Clerk

I, LINDA A. KELLEHER, City Clerk of the City of Reading, Pa., do hereby certify, that the foregoing is a true and correct copy of the original ~~Resolution~~ passed by the Council of the City of Reading, on the 23rd day of July, A. D. 20 07. Witness my hand and seal of the said City this 24th day of August, A. D. 20 07.

  
CITY CLERK

## AGREEMENT

THIS AGREEMENT made this \_\_\_\_ day of \_\_\_\_\_, 2007, by and between the CITY OF READING, a Third Class City of the Commonwealth of Pennsylvania, having an address of 815 Washington Street, Reading, Berks County, Pennsylvania (hereinafter "City"),

AND

READING MOVIES, LLC, a Maryland limited liability corporation, having an address of 231 West Cherry Hill Court, P.O. Box 1056, Reisterstown, Maryland 21136 (hereinafter "Reading Movies").

WHEREAS, the City currently owns and leases to the Reading Area Water Authority (hereinafter "RAWA") a twelve inch waterline and appurtenant facilities which service 27 North Front Street and adjacent properties as shown on the Subdivision and Land Development Plan of R/C Theatres Management Corp. (hereinafter "R/C Theatres") dated July 25, 2006, last revised May 31, 2007, as submitted by Stackhouse Bensinger Inc. (hereinafter the "Plan"); and

WHEREAS, Reading Movies, the successor in interest to R/C Theatres, intends to construct a new twelve inch waterline which will service its property, located at the southwest corner of North Second Street and Washington Street in the City of Reading, said property being adjacent to 27 North Front Street (hereinafter the "Property"); 27 North Front Street; and all other RAWA customers currently being serviced by the aforementioned twelve inch waterline; and

WHEREAS, Reading Movies, LLC intends to construct a replacement twelve inch waterline for the current waterline servicing 27 North Front Street and other adjacent properties and relocate the same in order to facilitate its development of a multi-screen movie theatre on the Property; and

WHEREAS, subject to obtaining all the necessary land development approvals for the movie theatre construction and relocation of the twelve inch waterline, and the terms and conditions contained herein, the City agrees to abandon the certain twelve inch waterline, appurtenant facilities and the easement which it retains in the vacated bed of Pear Street between Washington and Court Streets in the City of Reading as set forth in the Plan, upon the dedication by Reading Movies to RAWA or the City, which ever is appropriate, of a newly constructed twelve inch waterline, appurtenant facilities thereto and an access easement for the newly constructed waterline which will allow the City and/or RAWA access to the line for inspection, reconstruction, maintenance or removal.

NOW, THEREFORE, consideration of the covenants and promises hereinafter contained to be kept and performed, the parties hereto, intending to be legally bound hereby, agree as follows:

The hereinabove referred to "WHEREAS" clauses are incorporated herein by reference thereto and shall be deemed and construed to be an integral part of this Agreement.

Pending the necessary approval by the City of Reading of the Land Development Plan submitted to the City of Reading Planning Commission by R/C Theatres, Reading Movies hereby agrees, at

its sole cost and expense, to relocate and construct a twelve inch waterline which will permit the construction of a multi-screen movie theatre upon the Property which the current twelve inch waterline is located thereunder. Reading Movies agrees that the relocation and construction of the relocated twelve inch waterline will be at the sole cost and expense of Reading Movies and that the relocated newly constructed twelve inch waterline will be designed and constructed in accordance with current RAWA design and construction specifications. Reading Movies further agrees that RAWA or the City shall be permitted to make periodic inspections during the process of relocating and constructing the new twelve inch waterline so as to ensure compliance by Reading Movies with the aforesaid twelve inch waterline construction specifications. It is further agreed that neither the City nor RAWA shall be required to contribute any funds for the purpose of relocating or constructing the new twelve inch waterline. Upon completion of the relocated twelve inch waterline, subject to satisfactory inspection and approval by RAWA or the City, dedication of the same to RAWA or the City by Reading Movies, LLC, as well as the granting of an easement from Reading Movies, LLC to RAWA or the City, which will allow for access to the aforementioned twelve inch waterline for inspection, construction, reconstruction or removal of said waterline, so as to make the relocated twelve inch waterline a part of the City of Reading water system, leased and operated by RAWA, and upon acceptance of the dedication of the relocated twelve inch waterline by RAWA or the City, the City hereby agrees to abandon and vacate the existing twelve inch waterline, as well as the easement it retains in the unopened bed of Pear Street between Court Street and Washington Street as depicted on the Plan.

This Agreement is subject to approval by the City Council of the City of Reading and by the appropriate officials of Reading Movies, LLC. This Agreement shall be interpreted in accordance with Pennsylvania laws.

This Agreement contains the final and entire agreement between the parties and they shall not be bound by any terms, conditions, statements or representations, oral or written, not contained herein. All understandings and agreements heretofore made between the parties are merged in this Agreement. This Agreement alone fully and completely expresses the agreement of the parties and which may not be changed, modified or terminated except by a written instrument signed by the parties.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any party to this Agreement may deliver an executed copy of this Agreement by facsimile transmission to the other party and any such delivery shall have the same force and effect as any other delivery of a manually signed copy of this Agreement.

IN WITNESS WHEREOF, this Agreement is duly executed by the parties, intending to be legally bound, effective as of the day and year first above written.

CITY OF READING

By:

Name: Thomas M. McMahon

Title: Mayor

Attest: \_\_\_\_\_

Name: Linda Kelleher

Title: City Clerk

READING MOVIES, LLC, a Maryland  
limited liability corporation

By: \_\_\_\_\_

Name:

Title:

Attest: \_\_\_\_\_

Name:

Title: